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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/615,640	07/08/2003	Richard Merkin	MERKN-001A	1420
7590 03/17/2009 MATTHEW A. NEWBOLES STETINA BRUNDA GARRED & BRUCKER Suite 250 75 Enterprise Aliso Viejo, CA 92656				
EXAMINER				
RANGREJ, SHEETAL				
ART UNIT		PAPER NUMBER		
3686				
MAIL DATE		DELIVERY MODE		
03/17/2009		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/615,640

Applicant(s)

MERKIN, RICHARD

Examiner

SHEETAL R. RANGREJ

Art Unit

3686

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12/23/2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,3-7,11,14,16-20,26,28-33 and 35-37 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,3-7,11,14,16-20,26,28-33 and 35-37 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Prosecution History Summary

1. Claims 1 and 20 are amended.
2. Claims 2, 8-10, 12-13, 15, 21-25, 27, and 34 are cancelled.
3. Claims 1, 3-7, 11, 14, 16-20, 26, 28-33, and 35-37 are pending.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1 and 20 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.
6. The basis of this rejection is based on recent Federal Circuit decisions and Supreme Court precedent in particular, *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876) which state that the process must:
 - (1) be tied to another statutory class (such as a particular apparatus); or
 - (2) transform underlying subject matter (such as an article or materials) to a different state or thing.

For a claimed invention to be statutory subject matter eligible, the claimed invention must fall within a judicial exception. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited claims should positively recite the other statutory class (the thing or product) to which it is tied, for example by identifying the apparatus that accomplishes the method steps or positively recite subject matter that is being transformed for example by identifying the material that is being changed to a different state.

7. In the present case, claims 1 and 20 recite an abstract idea only. The claims recite steps and means for a) defining processes, b) forming links between processes, traversing processes by meeting exit requirements. These steps and means do not apply, involve, use, or advance the technological arts since they can be performed in the mind of the user or by use of a pencil and paper. These steps and means only constitute an idea of how to define, linking and traversing processes.

8. In particular, explicitly claiming the medium or structure in the body of the claim that performs the underlying process steps would serve to better recite the technological arts within the present set of claims.

Allowable Subject Matter

9. The following is a statement of reasons for the indication of allowable subject matter:

The primary reason that claims 1, 3-7, 11, 14, 16-20, 26-33, and 35-37 distinguish over the prior art is the inclusion of the limitations in all of the claims, that is not found in the prior art, of assessing patient request by a primary care physician, submitting *only* a single CPT code corresponding to a single, specified medical service to be evaluated by a hospitalist or case manager, wherein evaluating the single code submitted comprises (i) the effectiveness or clinical importance of the service required to be rendered, (ii) whether the code is applicable to services that are covered by the patient's health care, and (iii) whether the code is susceptible to duplicative and/or unbundled billing practice or otherwise provides any financial interest to the primary care physician, and then rendering the requested services based on the response of either approval or disapproval; furthermore, repeating the steps to submit codes for utilization of either in-patient services, out-patient services, referral to a specialist, or a combination thereof, wherein the assessment is made by a primary care physician, but the services are performed by a physician other than a primary care physician, and finally when the patient has a chronic condition, repeating the steps to provide treatment of the chronic condition. The closes prior arts (Bond et al. U.S. Patent No. 6,177,940, Peterson et al. U.S. Patent No. 6,343,271, and Finn U.S. Publication No. 2002/0120466) teaches evaluating the single CPT code relating to a medical service by a remote server, wherein evaluation is to determine whether the claim may be automatically adjudicated or manually, furthermore, patient's social security is submitted and evaluation is based of the benefits summary to decide if the patient is

eligible for the services and providing treatment and THEN submitting the claim for pre-checking of auto adjudication; Furthermore, submitting codes for utilization of either in-patient services, out-patient services, referral to a specialist, or a combination thereof, wherein the assessment and the submission of codes is done by a physician other than a primary care physician (Finn). However, Bond, Peterson, and Finn, both individually or in combination fail to teach, "evaluating the single code submitted comprises (i) the effectiveness or clinical importance of the service required to be rendered, (ii) whether the code is applicable to services that are covered by the patient's health care, and (iii) whether the code is susceptible to duplicative and/or unbundled billing practice or otherwise provides any financial interest to the primary care physician; responding to said submission based upon said evaluation comprising either approval or disapproval to proceed with rendering the requested service; assessing said request and determining whether said request substantiates the utilization of either in-patient services, out-patient services, referral to a specialist, or a combination thereof, wherein said assessment is made by a primary care physician and the in-patient services, out-patient services, and services from a specialist are to be performed by a physician other than the primary care physician; and when the patient has a chronic condition, repeating steps of submitting codes, to continuously assess the utilization of the in-patient services, out-patient services, and services from a specialist to provide treatment of the chronic condition.

Response to Arguments

10. Applicant's amendments do not overcome the 35 USC §101 rejections. Applicant needs to further amend the claims to have a computer perform the other method steps recited within the claims. Therefore, Examiner stands the rejections made against the claims.

Conclusion

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

12. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SHEETAL R. RANGREJ whose telephone number is (571) 270-1368. The examiner can normally be reached on M-F 8:30-5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jerry O'Connor can be reached on (571) 272-6787. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or (571) 272-1000.

/S. R. R./
Examiner, Art Unit 3686
March 14, 2009

/Gerald J. O'Connor/
Supervisory Patent Examiner
Group Art Unit 3686